

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

July 19, 2005

IN RE:

**REVIEW OF NASHVILLE GAS COMPANY'S
IPA RELATING TO ASSET MANAGEMENT FEES**

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**DOCKET NO.
05-00165**

ORDER GRANTING PETITION TO INTERVENE

This matter came before the Hearing Officer upon the filing of a *Petition to Intervene* by the Consumer Advocate and Protection Division of the Office of Attorney General ("Consumer Advocate") on July 7, 2005.

At a regularly scheduled Authority Conference held on June 13, 2005, the voting panel assigned to TRA Docket No. 04-00290¹ unanimously approved the Incentive Plan Account ("IPA") as filed by Nashville Gas Company ("Nashville Gas" or the "Company"), a division of Piedmont Natural Gas Company, for the year ended June 30, 2004 and ordered a new docket to be opened to consider issues associated with the Company's inclusion of asset management fees in the IPA. As a result, this docket was opened and on June 27, 2005, the voting panel assigned to this docket voted to convene a contested case and appoint a Hearing Officer to hear preliminary matters prior to the Hearing and to set a procedural schedule to completion. On July 7, 2005, the Consumer Advocate filed the *Petition to Intervene*.

¹ See *In re Audit of Nashville Gas Company's Incentive Plan Account for the Plan Year Ended June 30, 2004*, TRA Docket No. 04-00290

INTERVENTION

Tenn. Code Ann. § 4-5-310(a) (1998) sets forth the following criteria for granting petitions to intervene:

(a) The administrative judge or hearing officer shall grant one (1) or more petitions for intervention if;

- (1) The petition is submitted in writing to the administrative judge or hearing officer, with copies mailed to all parties named in the notice of the hearing, at least seven (7) days before the hearing;
- (2) The petition states facts demonstrating that the petitioner's legal rights, duties, privileges, immunities or other legal interest may be determined in the proceeding or that the petitioner qualifies as an intervenor under any provision of the law; and
- (3) The administrative judge or hearing officer determines that the interests of justice and the orderly and prompt conduct of the proceedings shall not be impaired by allowing the intervention.

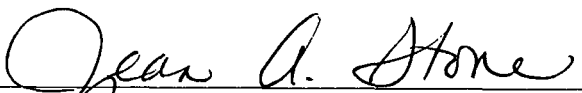
In its petition, the Consumer Advocate asserts a decision in this docket concerning inclusion or exclusion of asset management fees in the Company's IPA or adjustment of the sharing percentage between stockholders and consumers will affect the interests of consumers. Further, the Consumer Advocate states that the outcome of this docket could significantly alter the amount shared with consumers through the IPA, which ultimately affects the amount consumers pay Nashville Gas for natural gas utilities services.² No party has filed a response to the *Petition to Intervene*.

The Hearing Officer finds that the legal rights and interests of Tennessee consumers may be determined in this proceeding and that the Consumer Advocate's petition is timely and its intervention will not impair the orderly and prompt conduct of these proceedings. For these reasons and applying the standards set forth in Tenn. Code Ann. § 4-5-310(a) (1998), the Hearing Officer grants the Consumer Advocate's *Petition to Intervene*.

² *Petition to Intervene*, p. 3 (July 7, 2005)

IT IS THEREFORE ORDERED THAT:

The *Petition to Intervene* filed by the Consumer Advocate and Protection Division of the Office of the Attorney General on July 7, 2005 is granted. The Consumer Advocate may participate in this proceeding as its interests require and receive copies of any notices, orders or other documents filed herein.



Jean A. Stone, Counsel
As Hearing Officer